

REMARKS/ARGUMENTS

Claims 2-8, 10-16, 26-32, 34-41 and 43-44 are pending in the present application. Applicant has amended claim 7 so that claim 7 now depends from claim 2, and not previously canceled claim 1.

Reconsideration of the claims is respectfully requested.

I. 35 U.S.C. § 102(b), Anticipation

The Examiner has rejected claims 2-8, 10-16, 26-32, 34-41, 43 and 44 under 35 U.S.C. § 102(b) as being anticipated by *Carter, III, Method and Apparatus for Pricing Products in Multi-Level Product and Organization Groups*, U.S. Patent No. 5,878,400, March 2, 1999 (hereinafter *Carter*). This rejection is respectfully traversed.

Carter teaches a product group hierarchy that “is defined that can be applied to products. For example, a ‘hardware’ product group may be defined that may include as members a number of products. Special pricing adjustments may be defined as applying to all hardware products. When a product is selected using the invention, all product groups to which the product belongs, and all applicable pricing adjustments, are identified”. *Carter*, column 3, lines 39-46. Thus, according to *Carter*, once the product group hierarchy is defined, no determination need be made as to whether or not a particular price adjustment will be applied to a product. All pricing adjustments for which a group is eligible are applied to the product for those groups to which the product belongs.

Furthermore, whether or not a product belongs to a particular group is determined by a user when the product group hierarchy is defined. Once the product group hierarchy is defined, it is static. No further determination is made as to whether or not a product belongs to a particular group. No method is used to determine whether a group is applied to a product. The product belongs to the groups that are defined by the hierarchy.

Applicant’s independent claims recite “wherein the calculation code has an associated qualifying method that is used to determine whether the calculation code is to be applied to the item”. Therefore, according to Applicant’s claims, the code itself has the associated method. This method, which is associated with the code, is then used to determine if the code is to be applied.

The Final Office Action states:

As pointed out in the rejection to the claims above, Carter’s groups represent Applicant’s calculation cde. As each product as associated with it a group (calculation code) which determines whether the calculation code is to be applied to the item, the teachings of Carter clearly include a qualifying method.

Final Office Action, dated September 5, 2006, page 3.

If the Examiner is correct in his assertion that the group, as taught by *Carter*, teaches a calculation code, then the group itself must be associated with a method. In addition, this method must then be used to determine if its associated group is to be applied. This is not what is taught by *Carter*, however.

The Examiner does not point to anything in *Carter* that teaches a qualifying method. Nothing in *Carter* teaches a group and a method being associated. *Carter* teaches a hierarchy of products, such as depicted in Figure 4B. This hierarchy is specified by a user. Once specified by the user, no method is needed in order to determine if a group, and its price adjustment, is applied to a product. *Carter* does not teach a qualifying method because no method is necessary in order to determine if a product belongs to a group. Therefore, *Carter* does not teach a method that is associated with a group.

The Examiner asserts that the calculation code claimed by Applicant is taught by the product groups taught by *Carter*. The Examiner states that a group determines whether the calculation code is to be applied to an item. Since the Examiner equates “group” and “calculation code”, the Examiner is asserting that *Carter* teaches that a group determines whether the group is to be applied to an item. This is not what is taught by *Carter*, however.

A group does not determine whether the group is to be applied to an item. The determination as to whether a product belongs to a group is made when the product group hierarchy is defined. After the hierarchy is defined, no other determination is needed. If a group is included in the product’s hierarchy, the product belongs to the group; otherwise, it does not.

Because *Carter* does not teach wherein the calculation code has an associated qualifying method that is used to determine whether the calculation code is to be applied to the item, *Carter* does not teach associating the calculation code with an item.

Carter does not teach wherein the calculation code has an associated qualifying method that is used to determine whether the calculation code is to be applied to the item, and further does not teach using the qualifying method to determine whether to apply the calculation code to the item.

Carter does not teach wherein the calculation code has an associated qualifying method that is used to determine whether the calculation code is to be applied to the item, and further does not teach responsive to a determination that the calculation code is to be applied to the item, using the one or more calculation rules to produce an amount for the parameter for the item.

Carter does not teach a group determining whether the group is to be applied to an item. Therefore, a “group” is not analogous to a calculation code. *Carter* does not anticipate Applicant’s claims because *Carter* does not teach wherein the calculation code has an associated qualifying method that is used to determine whether the calculation code is to be applied to the item; responsive to initiating application of the calculation code to the item, using the qualifying method to determine whether to apply

the calculation code to the item; and responsive to a determination that the calculation code is to be applied to the item, using the one or more calculation rules to produce an amount for the parameter for the item.

The remaining claims depend from the independent claims discussed above and are patentable for the reasons given above.

It is respectfully urged that the rejection of the claims as being anticipated by *Carter* has been overcome.

II. Conclusion

It is respectfully urged that the subject application is patentable over *Carter* and is now in condition for allowance.

The Examiner is invited to call the undersigned at the below-listed telephone number if in the opinion of the Examiner such a telephone conference would expedite or aid the prosecution and examination of this application.

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Respectfully submitted,

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